FINANCE SECRETARIAT

Conversion of the Sub-treasury at Sullia in South Kanara District into a banking treasury.

READ :—

1. Copy of letter No. RBAG/GEN/06674, dated 19th November 1973 of the General Manager, State Bank of Mysore, Head Office, Bangalore to the Managing Director, Subsidiary Section, State Bank of India, Central Office, Bombay.

2. Letter No. RBAG/GEN/01002, dated 13th February 1974 forwarding a copy of letter Cy. No 4204/93 (MYS) 73/74, dated 13th December 1973 of the Chief Accountant, Central Office, Department of Accounts and Expenditure, Bombay to the Chief Officer (Subsidiary Banks Section), State Bank of India, Central Office, Bombay.

PREAMBLE :—

The Reserve Bank of India has agreed to the proposal of the State Bank of Mysore to establish a currency chest at the proposed branch of the State Bank of Mysore at Sullia in South Kanara District and requested Government that orders to transfer the cash business of the Sullia Sub-treasury to the above branch of the State Bank of Mysore may be issued.

ORDER NO. FD 28 RBC 73, BANGALORE, DATED THE 17TH APRIL 1974.

Sanction is hereby accorded to the conversion of the Sullia Sub-treasury in South Kanara District into a Banking Treasury and to the transfer of cash transactions of the Sub-treasury to the local branch of the State Bank of Mysore. The actual date of transfer of cash work to the Bank will be notified by the District Treasury Officer, South Kanara, Mangalore in consultation with the Bank authorities and the said date will hereafter be referred to as the 'appointed date'.

2. The special steps to be taken on the eve of conversion of the Sub-treasury into Banking treasury and the classes of cash transactions to be taken over by the Bank are detailed in Annexure 'A' to this order.

3. On and after the 'appointed date', the branch of the Bank will conduct the cash business of the Sub-treasury and render daily accounts to the Sub-treasury Officer of Sullia in the manner laid down in the rules in the Karnataka Treasury Code and in the compilation of the Central Treasury Rules.

4. The normal cash balance fixed for this Sub-treasury should be treated as withdrawn with effect from the appointed date, and the normal balance fixed for the respective District as a whole reduced correspondingly.

5. The District and Sub-treasury Officers should follow strictly any instructions that the Accountant General may issue in the matter.

6. The Police guards required for guarding the chest in the Bank premises may be provided by the Inspector General of Police, if required by the Bank under the usual terms.

7. The District Treasury Officer, South Kanara, Mangalore is requested to make adequate arrangements to effect the transfer on the appointed date under report to Government in the Finance Department as well as to the Director of Treasuries. He is also requested to see that the changes are effected smoothly and maximum convenience and guidance are afforded to other Departments and the general public in the first few days to obviate inconvenience to them.

8. The District Treasury Officer, South Kanara, Mangalore is also requested to depute an official experienced in Banking Treasury work to the Sub-treasury for about a week to enable the staff to become familiar with the new arrangement.

9. New forms and registers required at the Sub-treasury for immediate use should be spared from the District Treasury and an indent placed with the Director, Government Printing and Stationery, for future supply.

By Order and in the name of the Governor of Karnataka,

M. A. SRINIVASAN,

Under Secretary to Government,
Finance Department.

ANNEXURE-'A'

1. The cash Balance of the Sub-treasury on the opening of the 'appointed date' should be remitted to the Bank on the same day upon a separate challan for credit to the need "Local Cash Remittances ' under advice to the Government in the Finance Department and the Accountant General.

2. Pensioners including military pensioners will be paid their pension at the Bank on pay orders issued by the Sub-treasury Officer.

3. Taxes and fees on motor vehicles hitherto collected at the treasury will on and after the 'appointed date' be collected at the Bank direct. The lice nces etc., will be issued by the authorities concerned as usual on surrender of the challan receipted by the Bank and after verification of the credit for the taxes or fees paid in the treasury accounts.

4. General, Court fee, postal and other stamps including Postal, Stationery will be issued at the treasury itself even after the 'appointed date' on production of receipted challans from the Agency Bank and after verification of credit.

5. Cases where remittances into and drawal from the Bank may be arranged directly without obtaining an authorisation from the Treasury Officer are specified in Annexure-'B'. In other cases, the documents on which money is presented or payment claimed at the Bank should have the authorisation of the Sub-treasury Officer. The challans or bills so authorised, if not presented to the Bank within ten days of their authorisation required revalidation by the Treasuay Officer.

6. The prescribed form of challan alone should be used for all remittances into the Bank. The forms will be supplied by the Sub-treasury.

7. Cheques on Banks received by Government officers in payment of Central or State Government dues or in settlement or other Government transactions should be remitted to the Bank direct. Such cheques should be endorsed in favour of the Bank in all cases. Form M. F. C. 3 (Bank) itself may be used as challan in such cases Pending reallocation of the amounts there of a receipt or taken for the cheque only will be given by the Bank in the first instance. The final receipt will be delivered to the parties by the Bank soon after the chqeues are cleared.

There will be a daily clearance of cheques accepted and the transactions will be included in the daily account tencdred to the Sub-treasury after the cheques have been cleared.

Note : **The Bank reserved to iteelf the rights to refuse to accept cheques, the collection of which in its opinion, cannot reasonably be undertaken and which it would not accept on behalf of its own constituents.**

8. Cheques drawn by Government officers for drawing funds from the Bank should be addressed to theBank andnot to the Sub-treasury officer. Such cheques are negotiable. Until new Cheques forms are printed, the required correction may be made in the existing forms in manuscript or rubber stamp. Such alterations do not require attestation. Cheque books will not be supplied by the Bank. They will be supplied by the Sub-treasury, as at present.

Note : **Cheques issued by such officers on the Sub-Treasury previously and remaining unpaid on the 'appointed date" will be cashed at the Bank direct subject to the rules of currency etc., the information required by the Bank in this behalf will be furnished by the Sub-treasury as indicated at para 10 *infra*.**

9. The Sub-treasury officer will arrange to forward to the Bank one week in advance of the 'appointed date' the specimen signature of the Government officers authorised to operate on the P.D. and other accounts at the Sub-treasury. Copies of standing instructions, if any, in the assignment drawing or P. D. accounts, together with the correspondence pertaining to stopped cheques, etc., should also be forwarded to the Bank on or before the 'appointed date'.

10. All Officers drawing cheques on the Bank should furnish to the Bank on the 'appointed date' a list of their cheques issued prior to the 'appointed date, and outstanding payment on that date by obtaining the necessary information from the sub-treasury.

11. Monthly pay bills of Government officers and offices should be presented at the Sub-treasury for scrutiny three days in advance invariably as prescribed in Article 80, Mysore Financial Code, 1958. Such pay bills with the Pay order of the Sub-treasury officer on the Bank will be delivered on the last working day. Bills presented for passing should be merely signed without receipting the contents, which should be done only after the bill is received back from the Sub-treasury with pay orders and before presentation at the Bank.

ANNEXURE 'B'.

Transactions in respect of which the challans, cheques or refund orders need not pass through the Sub-treasury Officers, before presentation at the Bank.

Payments into the Bank.

1.	Remittances of	Sales-tax in the Special forms prescribed.
2.	do	Forest Revenue.
3.	do	Civil and Criminal Courts Deposits.
4.	do	Fees, Fines, etc., by Criminal Courts.
5.	do	Food Depots.
6.	do	Income-tax Revenue.
7.	do	Union Excise Duties.
8.	do	Life Insurance Premia relating to Govt. Insurance Department.
9.	do	into Personal Deposit Accounts kept at the Bank.
10.	do	of other items of challans which have been signed or attested by the Departmental Officer on whose behalf the moneys are credited.
11.	do	of amounts on special printed forms of challans.
12.	do	of Land Revenue, Muzarai and Village Panchayat.

Drawal from the Bank.

1 Cheques drawn by Government Officers on Personal Deposit Accounts kept at the Bank.

2 Cheques drawn by the Officers of the Judicial Department against Personal Ledger Accounts.

3 Cheques drawn by Public Works Department.

4 Cheques drawn by Forest Department.

5 Cheques drawn by Government Commercial Undertakings.

6 Cheques drawn by Government Insurance Department.

7 Cheques drawn by the Chief Accounts Officer, Mysore State Electricity Board.

8 Cheques drawn by the Bursar, Mysore University.

9 Refund Orders of the Income-tax Department.

10 Cheques of the Postal Department.

11 Cheques of the Defence Department.

12 Refund Orders of the Sales-tax Department.